

In considering the apportionment of the extraordinary burden of taxes in war times certain scientific principles are definitely established:

How Taxes Should Be Apportioned.

(1) The burden of taxes must be spread as far as possible over the whole community so as to cause each individual to share in the sacrifices according to his ability to pay and according to his share in the Government.

(2) Taxes on consumption, which are necessarily borne by the community at large, should be imposed as far as possible on articles of quasi-luxury rather than on those of necessity.

(3) Excises should be imposed as far as possible upon commodities in the hands of the final consumer rather than upon the articles which serve primarily as raw material for further production.

(4) Taxes upon business should be imposed as far as possible upon net earnings rather than upon gross receipts or capital invested.

(5) Taxes upon income which will necessarily be severe should be both differentiated and graduated. That is, there should be a distinction between earned and unearned incomes and there should be a higher rate upon the larger incomes. It is essential, however, not to make the income rate so excessive as to lead to evasion, administrative difficulties, or to the more fundamental objections which have been urged above.

(6) The excess profits which are due to the war constitute the most obvious and reasonable source of revenue during war times. But the principle upon which these war-profit taxes are laid must be equitable in theory and easily calculable in practice.

The Proposed Income Tax.

The additional income tax as passed by the House runs up to a rate of 60 per cent. This is a sum unheard of in the history of civilized society. It must be remembered that it was only after the first year of the war that Great Britain increased her income tax to the maximum of 34 per cent., and that even now in the fourth year of the war the income tax does not exceed 42½ per cent.

It could easily be shown that a tax with rates on moderate incomes substantially less than in Great Britain, and on the larger incomes about as high, would yield only slightly less than the \$532,000,000 originally estimated in the House bill.

It is to be hoped that the Senate will reduce the total rate on the highest incomes to 34 per cent, or at most to 40 per cent, and that at the same time it will reduce the rate on the smaller incomes derived from personal or professional earnings.

If the war continues we shall have to depend more and more upon the income tax. By imposing excessive rates now we are not only endangering the future, but are inviting all manner of difficulties which even Great Britain has been able to escape.

Conclusion.

The House bill contains other fundamental defects which may be summed up as follows:

- (1) It pursues an erroneous principle in imposing retroactive taxes.
- (2) It selects an unjust and unworkable criterion for the excess-profits tax.
- (3) It proceeds to an unheard-of height in the income tax.
- (4) It imposes unwarranted burdens upon the consumption of the community.
- (5) It is calculated to throw business into confusion by levying taxes on gross receipts instead of upon commodities.
- (6) It fails to make a proper use of stamp taxes.
- (7) It follows an unscientific system in its flat rate on imports.
- (8) It includes a multiplicity of petty and unproductive taxes, the vexatiousness of which is out of all proportion to the revenue they produce.

The fundamental lines on which the House bill should be modified are summed up herewith:

- (1) The amount of new taxation should be limited to \$1,250,000,000—or at the outset to \$1,500,000,000. To do more than this would be as unwise as it is unnecessary. To do even this would be to do more than has ever been done by any civilized Government in time of stress.
- (2) The excess-profits tax based upon a sound system ought to yield about \$500,000,000.
- (3) The income-tax schedule ought to be revised with a lowering of the rates on earned incomes below \$10,000, and with an analogous lowering of the rates on the higher incomes, so as not to exceed 34 per cent. A careful calculation shows that an income tax of this kind would yield some \$450,000,000 additional.
- (4) The tax on whisky and tobacco ought to remain approximately as it is, with a yield of about \$230,000,000.

These three taxes, together with the stamp tax at even the low rate of the House bill, and with an improved automobile tax, will yield over \$1,250,000,000, which is the amount of money thought desirable.

The above program would be in harmony with an approved scientific system. It will do away with almost all of the complaints that are being urged against the present. It will refrain from taxing the consumption of the poor.

It will throw a far heavier burden upon the rich, but will not go to the extremes of confiscation. It will obviate interference with business and will keep unimpaired the social productivity of the community.

It will establish a just balance between loans and taxes and will not succumb to the danger of approaching either the tax-only policy or the loan-only policy. Above all, it will keep an undisturbed elastic margin, which must be more and more heavily drawn upon as the war proceeds.

COMMUNITY FAIR TO BE HELD AT OAK GROVE.

The Ladies' Improvement Association of Oak Grove will hold their annual community fair on August 16, next, according to an announcement made by the association on Tuesday. The fair will again be held at Oak Grove school house; and everything is now being made ready for the second big feat.

The Ladies of Oak Grove are the first in the county to attempt a community fair, but the occasion last year proved quite successful indeed.

Besides the many attractions and exhibits of every character imaginable, there will be the regular barbecue, which within itself will prove a big future. The ladies want everybody to attend their fair on August 16th.

Mr. and Mrs. Norman Keisler of St. John's, are receiving many congratulations over the arrival on Sunday of a handsome son—the first to come into the home of these young people.

MAGISTRATES REPORTS FOR LEXINGTON COUNTY.

Following is a list of the fines and costs collected by the magistrates of the county for the fiscal year 1916, as filed in the office of County Treasurer, in compliance with the law:

J. H. Frick, Chapin.....	\$ 99.30
J. A. Gayden, Brookland.....	182.00
J. M. Marchant, Brookland.....	8.20
W. E. Lorick, Irmo.....	57.00
E. R. Steadman, Batesburg....	75.00
Ioor Hayes, Gilbert.....	111.40
T. L. Harman, Lexington.....	530.30
E. M. Martin, Swansea.....	535.40
J. H. Robers, Chapin.....	20.00
Boyd F. Berry, Pelion.....	3.50

Total \$1,622.10
Judge E. M. Martin, of Swansea, is leading Judge Tom Harman of Lexington, by only \$5.10. Judge Martin had the distinction of leading all of the magistrates in 1916.

Miss Alsie, daughter of Mr. and Mrs. Sam Long, who has been ill with fever for several days, is now getting along nicely.

NOTICE OF ELECTION.

All persons residing in Poplar Springs School District No. 61, will please take notice that a special election will be held at the school house therein, on Saturday, the 4th day of August, 1917, for the purpose of voting a levy of 4 mills for school purposes. If this levy is voted the district will be entitled to receive from the State every year the sum of \$200.00 for the purpose of helping to pay the teachers' salaries. "Only such electors as return real or personal property for taxation, and who exhibit their tax receipts and registration certificates as required in general elections, shall be allowed to vote." Bring tax receipts and registration certificates. Polls will open at 7 A. M., and close at 4 P. M.

W. S. Rinehart,
T. G. Senn,
B. O. Smith,
Board of Trustees, Dist. No. 61.
July 23, 1917—2w41

SUMMERLAND REUNION AUG. 8.

The Summerland College students will have a reunion at Grey Rock Springs August 8th. An interesting programme is being arranged. Competent parties will serve a barbecue dinner. The public has a cordial invitation.

No More Currency Panics

Do you remember the shut-downs, the business depression and the lack of employment which followed the currency panic of 1907?

To prevent another currency panic the Federal Reserve Banking System keeps on hand an immense supply of currency to furnish the banks which belong to the system of which we are one, so that they may at all times meet the currency requirements of their depositors.



Doesn't it appeal to you to get its protection, without cost, by becoming one of our depositors?

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CAPITAL \$50,000.00
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It is false economy to buy shoes of poor quality in an endeavor to save a little on your purchase.

To get GOOD shoes you must pay the price. Every item of material in GOOD shoes has advanced.

Manufacturers are scouring the earth for materials.

They are paying, in many cases, many times former prices.

GOOD shoes cost us more money than ever before.

If you want GOOD shoes come to this store and buy.

Our prices are based on GOOD quality and GOOD style.

Queen Quality shoes are the BEST we can find anywhere.

Walk a Block and Save a Dollar.

MAYNARD SHOE CO.

P. O. Block 1723 Main Street COLUMBIA, S. C.

CLEAN SWEEP SALE

HURRY! HURRY! HURRY!

Any \$18 to \$22.50 Fabric in the House---Your Choice During This Sale---Tailored to Your Order for \$15

Any Woolen Pattern in the House Up to \$22.50 for \$15. Tailored to Your Measure, to Order, to Fit. Only Through Our Mill to Man Policy Can This Be Done Today. You Pay No Middleman's Profit. **\$15**

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- One Button Union Suits.

Slated for This Week

- One lot of Soft and Stiff Straw Hats, newest shapes, special at \$1
- Three pairs of Silk Socks, all colors, for.....\$1
- Palm Beach and White Canvas Oxfords at \$2.50, \$3.50 and \$4.50
- Palm Beach Suits (the genuine cloth).....\$7.50 and \$8.50
- Cool Cloth Suits, in newest models,.....\$6.50, \$8.50 and \$10.00
- Pajamas, in one and two piece suits.....\$1.50 up
- Lhaki Work Shirts.....\$1.50
- Khaki Work Pants.....\$1.50
- Army Hats, Leghorns, etc.

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BOY'S PALM BEACH SUITS \$3.75
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